

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 806 – HB 718

March 13, 2013

SUMMARY OF ORIGINAL BILL: Requires the Department of Economic and Community Development (ECD) to develop and adopt an official logo or seal for products or goods, except for food and agricultural products, that have been substantially processed, fabricated, manufactured or otherwise transformed in Tennessee. Authorizes the Commissioner of ECD to trademark the logo to protect it from misuse or infringement. Authorizes the Commissioner to grant permission to a qualifying producer to use the logo. Authorizes the Commissioner to promulgate rules, determine terms, conditions, and requirements for use, and to establish application fees for logo use.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – \$37,000/One-Time
\$74,500/Recurring

SUMMARY OF AMENDMENT (004538): Deletes all language after the enacting clause. Creates a pilot project, scheduled to terminate on January 1, 2016, unless extended by the General Assembly, to encourage producers and promotion of non-agricultural products made in Tennessee. Authorizes the University of Tennessee Center for Industrial Services to: use a logo or seal for “Made in Tennessee” products and goods, except for food and agricultural products, that have been substantially processed, fabricated, manufactured or otherwise transformed in Tennessee; and to take appropriate steps to protect the logo or seal from misuse or infringement. Requires producers and retailers to register with the Center and comply with all terms, conditions and requirements for use of the official logo or seal as determined by the Center, prior to use of the official logo or seal. Authorizes the Department of Economic and Community Development (ECD) to provide technical assistance to the Center upon request. Authorizes the Center to seek any available grants and other sources of funding to implement and administer the pilot program. Requires the Center to report on the pilot project to the Senate Commerce and Labor Committee and the Houser Business and Utilities Committee, no later than February 1, 2015, and annually thereafter, if the project is extended by the General Assembly.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

NOT SIGNIFICANT

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Assumptions for the bill as amended:

- According to the University of Tennessee, this project will take advantage of systems and programs that already exist within the Center. As a result, any increase in expenditures to the Center to incorporate this pilot project into existing activities will not result in a significant fiscal impact to the Center.
- Any increase in expenditures to ECD to provide technical assistance to the Center, upon request, is estimated to be not significant and can be accommodated within existing resources without an increased appropriation or a reduced reversion.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

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